



City of Santa Barbara
Airport Department

DATE: February 16, 2011
TO: Airport Commission
FROM: Karen Ramsdell, Airport Director
SUBJECT: Lease Agreement – Innovative Technology, Inc., dba Inovati

RECOMMENDATION:

That Commission approve and authorize the Airport Director to execute a month-to-month Lease Agreement with Innovative Technology, Inc., a Delaware Corporation, dba Inovati, for 2,248 square feet of office and R&D space in Building 312, at 1501 Cecil Cook Place, and 339 square feet of storage in Building 603, at the Santa Barbara Airport, effective March 1, 2011, for a monthly rental of \$2,890, exclusive of utilities.

DISCUSSION:

The subject Premises is located south of Hollister Avenue in an Airport Facilities (AF) zone.

Inovati was incorporated in 1989 and specializes in the fabrication of electrical and mechanical elements of Kinetic Metallization equipment. Kinetic Metallization is an environmentally responsible replacement for electroplating. The Premises will be used for office, research & development, assembly, storage and distribution of product. The paved yard will be used for access to the building for shipping and receiving. The principal customers of Inovati are in the aerospace industry, including General Electric Aircraft Engines, Messier-Dowty (landing gears), US Naval Air Systems (gears & gear boxes), and Aerojet (thrust chambers). The use conforms to existing zoning.

Inovati will have four full time employees and three to four part time interns working at this location.

The proposed monthly rental is based on a rate of \$1.23 per square foot for R&D/Industrial space. The storage is a T-Hangar end unit, rented at \$125 per month. Both spaces are comparable to other buildings and land on the Airport for similar use and in similar condition. The current Industrial rate ranges from \$.95 to \$1.50. The industrial category includes R&D, workshop, and assembly space, but may also reflect a combination of uses including office and storage space that is unique to a particular tenant.

In addition, Inovati will also pay monthly utility charges of \$65.50 or metered amount, whichever is greater, for water, \$35.25 for sewer service, and \$290 for electricity and HVAC.

The proposed Lease Agreement has been reviewed and determined to be exempt from environmental review.

PREPARED BY: Business & Property Division
ATTACHMENT: Map